



International Organization for Migration (IOM)
Organisation internationale pour les migrations (OIM)
Organización Internacional para las Migraciones (OIM)

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Dear Madam Chair,
Dear Members of the European Parliament,
Distinguished Participants,

It is an honour to be here today and I am grateful to the Green Group in the European Parliament for their invitation to participate in this conference. As you might know, the International Organization for Migration (IOM) is one of the leading organizations working on migration management. Our activities take place globally, and include areas such as labour migration, capacity building on irregular migration, counter-trafficking, migration health, border management, migration and climate change or emergency operations such as currently taking place in Libya.

In my presentation I would like to give you a brief overview of the migration trends for third-country nationals moving to the EU for the purpose of employment. I will then demonstrate the challenges related to this phenomenon, in particular regarding migrants rights, and discuss the possibilities to address these within the framework of EU Migration Policy. Most of the facts I will mention have been taken from a recent IOM study on Labour Migration which is available online at www.labourmigration.eu, in case you would like to find out more.

Who are the third-country nationals moving into the EU?

On a global level, it is estimated that 214 million persons, representing just over three percent of the world population, currently live outside their country of origin as migrants. Almost half of international migrants are women, who increasingly migrate independently and as main income earners. The ILO estimates that economically active migrants number some 105.4 million; these and family members accompanying them account for almost 90 per cent of total international migrants. In the European Union, third-country nationals account for the majority of foreigners. As illustrated in the slides with Eurostat data, the largest proportion of non-EU foreigners are citizens of a European country, such as Turkey, Albania or Ukraine. Nationals of African countries form the second biggest group – from Morocco and Algeria in particular. Many Asian non-EU nationals come from India and China. The largest share of third-country nationals from the Americas come from Ecuador, Brazil and Colombia. On the second slide, we can see that the biggest group of non-EU nationals in the EU are Turkish citizens, followed by Moroccans and Albanians (if we exclude Romanians and Polish).

What is the effect of labour migration on the labour markets?

It has been demonstrated in a recent IOM study that immigration has contributed significantly to employment growth in the European Union in the past decade. In 2000-2007, according to EC estimations based on the EU Labour Force Survey third-country migrants accounted for an

employment increase of almost 3.7 million and around a quarter of the overall rise in employment.

Let me name two examples:

- From 1994 to 2004, Spain created more than six million jobs of which two million were occupied by migrants.
- In Portugal, in 2000-2008 the increase in migrant employment could be linked to strong economic growth in sectors with the highest concentration of migrant workers, notably in construction, real estate, hotels and restaurants and private household services with a net creation of 317,500 jobs.

Concerning substantial negative effects on employment and wages, evidence from various studies suggests that in the long term migration does not have substantial negative effects on employment and wages. Migrants in fact contribute to the demand for goods and services that they consume and hence further increase demand for labour. Migrant labour can also decrease the costs of production and thereby lower the costs of goods and services in a competitive market.

IOM studies further found that there is a high degree of complementarity between the native and migrant workforce, as foreign workers are filling labour market shortages in sectors where native workers are not willing to work or are not qualified to perform the required task. This means that direct competition between migrants and natives is relatively small.

And what is the effect of the economic crisis?

The economic crisis has had an impact on both immigration and emigration flows in Europe. Immigration levels have slowed while emigration has increased in some EU countries: this is the case in countries that experienced large inflows of labour migrants in the pre-crisis period. Nonetheless, declining net migration still remained positive in 2009 in many of the major migrant-recruiting countries in the EU such as Spain, Italy and the UK. Employers did not stop recruiting migrant workers altogether. There is still demand, especially for skilled migrant labour in certain sectors such as health and education. We would like to stress that in areas where structural demands exist, the economic crisis had little effect on demand for labour.

Now which are the challenges related to this phenomenon?

Challenges faced by third-country nationals who migrate to the EU are related to irregularity, lower wages, overqualification and segmentation of the labour market.

Although reliable data is hard to find, possibly significant numbers of migrants are employed **irregularly**.

- In the UK, a recent analysis estimates that there were between 400,000 to 800,000 irregular migrants in the UK in 2007.
- In Germany, the range of estimates of the total number of irregular migrants who have entered the country for employment ranges from 100,000 up to 1 million persons. This represents around 0,25 to 2,5 per cent of the national labour force.

Overall **earnings of migrants tend to be lower**, compared to the national average. Such discrepancies point to the different positions in the labour market occupied by natives and migrants even in the same sectors, but could also indicate discrimination in employment.

Findings show that regardless of the level of education, migrants are employed in low-skilled sectors.

- In Greece, three quarters of migrants are working in four particular sectors (construction, manufacturing, private households, hotels and restaurants) regardless of educational attainment.

A clear trend in **segmentation of the labour market** has been observed in several countries, especially in Italy and Belgium. Across the EU, migrants tend to be concentrated in sectors such as agriculture, construction, manufacturing, healthcare, domestic work or hotels and restaurants.

Segmentation by gender is relevant for both natives and migrants, but is particularly pronounced in the case of migrant women who tend to be predominantly employed in services and domestic work. Ethnic and gender labour market segmentation leads to female migrants being disproportionately located in low-paid, low-status jobs, and experiencing the insecurities and instabilities of short-term employment contracts and informal types of work.

Regarding the conditions of employment, **migrant workers are likely to be at risk of falling into a “flexibility trap”** as they tend to fill labour market shortages (being flexible in the choice of the work), sometimes perform jobs below their qualification level (being flexible in the use of their skills) and in precarious working conditions (being flexible in the working conditions).

- In Spain, migrant workers are mainly hired on a temporary basis at almost a double rate (43.1% in 2009) in comparison with natives. The economic crisis has resulted in the fast destruction of temporary employment in 2008-2009 thus particularly affecting third-country nationals.

- In the Czech Republic the majority of foreign workers (69%) are employed in manual jobs that are highly unstable with a high level of time flexibility, low wages and low access to training and education. Manual workers are disadvantaged not only in comparison to non-manual foreign workers but also to national manual workers

Possibilities for migrants to come out of the “flexibility trap” depend on the national economic and social context and tend to increase with the length of residence.

- In Germany, the segmented structure of the German labour market together with industrial and social barriers prevent migrant mobility across sectors. Consequently, a disadvantaged group of migrants may remain disadvantaged and unable to break this cycle even over a long period of residence.

What can be done in the current context?

The decline and ageing of the European population has contributed to a growing awareness of the need for immigration. Research shows that recent European population growth is mainly due to immigration. According to the UN, Europe’s population would have shrunk by 4.4 million from 1995 to 2000 if it were not for the arrival of five million migrants during this period.

Particular consideration should be given to the issue of the EU's ageing population; between 2006 and 2050, the number of EU citizens over 60 years of age will have increased by 52 per cent. This demographic factor, coupled with the foreseeable implications on the various social welfare systems, has provoked intense debate concerning immigration with EU institutions and EU Member States. In addition, factors such as labour shortages in particular sectors and globalization forces also call for increased legal migration. There is growing awareness that without migrants, Europe will not be able to maintain the same standard of living, and that attitudes towards legal migration must be adjusted. This has also been stressed by the Europe-2020 strategy.

However, EU Member States are struggling to find a well-balanced and comprehensive approach that can serve such diverse objectives as attracting highly skilled migrants, preventing irregular migration and safeguarding the human rights of migrants. Discussion on the seasonal workers directive in the Council have shown again that not all Member States agree that labour migration policy should be discussed at the EU level.

At the same time, initiatives at the EU level under the Global Approach on Migration, such as mobility partnerships and circular migration schemes, count on the involvement of third countries. While the intended public goal of the mobility partnerships is to facilitate circular channels for labour mobility, they have been criticized for still being very much centered on the strengthening of border control policies and the return and expulsion of irregular migrants.

Within the current framework of EU migration policy, as resulted from the EU 'Policy Plan on Legal Migration' it is difficult to ensure fair treatment of migrant workers and to introduce a rights-based approach. Indeed, the sectoral policy approach has led to a hierarchical and differentiated European legal regime on labour immigration which accords different rights, standards and conditions for entry and stay to different groups and countries of origin of third-country nationals.

Still, efforts continue and the next phase of EU immigration policy offers an opportunity to design a migration model which will place the worker and their socio-economic fundamental rights at the heart of the debate. A key policy priority should be to fully embrace the role of migration in promoting the competitiveness of EU economies. The message that migrants are welcome in the EU should be given to third-country nationals.

Secondly, it is important that the EU adopts a strong position to respond to the use of anti-immigration policy agendas and discriminatory discourses by European leaders. The benefits of migration should be communicated to the public throughout the Member States.

Thirdly, cooperation with third countries should be sought in all three areas of the Global Approach. As stressed by the Stockholm Programme, the EU's Global Approach to Migration needs to find the right balance between provisions related to border control measures/expulsion of irregular migrants and policy priorities covering legal migration.

Fourthly, existing instruments on migration law can be promoted by the EU. The human rights of all those migrating are provided for by international migration law. We cannot forget that last year, we celebrated the 20th anniversary of a fundamental human rights treaty that is the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (ICRMW). We believe that ratification of the 1990 Convention is a very

important step towards the establishment of institutional mechanisms to ensure the protection of the rights of migrant workers. IOM is, therefore, an active member of the Steering Committee for the Global Campaign for Ratification of the Convention. For not only can human rights law be considered to be at the core of the protection of the rights of all those who migrate but it also operates as a linkage between different relevant branches of international law.

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